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DEPARTMENT OF EDUCATION
LANSING



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SUPERINTENDENT OF
PUBLIC INSTRUCTION

FOOD SERVICE

**ADMINISTRATIVE POLICY #4
SCHOOL YEAR 2003-2004**

SUBJECT: Verification of Eligibility for School Meals

DATE: September 29, 2003

Verification confirms eligibility for free and reduced price meals under the National School Lunch Program (NSLP) and School Breakfast Program (SBP). Annually, each School Food Authority (SFA) must select and verify a sample of applications approved for meal benefits.

The verification sample is based on the number of "paper applications" approved as of October 31, 2003. Explanation of both *Random Sampling* and *Focused Sampling* are included in this packet. If your district is participating in the direct certification procedure, your sample must only be selected from families that submitted a "paper application." Verification efforts are not required for children who have been certified under direct certification. Detailed guidance on Verification of Eligibility for School Meals is provided in the Eligibility Guidance for School Meals manual posted on the USDA website: <http://www.fns.usda.gov/cnd/Guidance/default.htm>

This packet contains the following materials needed to complete the verification process:

- Items to send to households selected for verification.
 - *Letter to Households - Notification of Selection for Verification of Eligibility*
 - *Documents to Verify Eligibility Form*
 - *Social Security Numbers Form*
- Prototype letter to notify households of the results of the verification efforts.
 - *Letter to Households - Notification of Change or Termination of Free and Reduced Price Meal Benefits*
- 3. Materials to document the verification process.
 - *Verification Checklist*
 - *Verification Summary Report*

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4. Documents to use to contact your local Family Independence Agency (FIA) office.
Eligibility due to Direct Certification does not need to be verified.

- *Letter to the Food Stamp or FIP Office From the School Food Authority*
- *Food Stamp or FIP Recipients Verification Form* listing families selected for verification. Please be sure the Food Stamp or FIP case number is listed on this form. Electronic Benefit Transfer Cards (EBT) are now used throughout the State of Michigan to replace food stamp coupons. The EBT card number is a 16 digit numerical number, for example: 1234 2345 3456 4567 while the Food Stamp Case Number is an alpha/numerical number beginning with and ending with an alphabet, for example: V9999999A. The United States Department of Agriculture (USDA) has determined that the number on a household's EBT card can NOT be accepted as a food stamp case number on applications for meal benefits. Please refer to Food Service Administrative Policy #4, SY 2000-2001: Use of Electronic Benefit Transfer (EBT) Card Numbers on Applications for Meal Benefits.

If your local FIA office is unable to confirm eligibility, you should verify eligibility by asking recipient families to send either of the following: a) Food Stamp or Family Independence Program (FIP) certification notice showing the beginning and ending dates of the certification period, b) ATP Card (Authorization To Participate), *with an expiration date*.

One issue of concern is advance notice of adverse action. When it is determined that the child(ren)'s benefits have changed due to verification, the household must be given ten days written notification that the benefits will be changed. The first day of the ten calendar day advance notice is the day the notice is sent. Several other issues have been raised by the Office of Auditor General regarding the Verification of Free and Reduced Applications. Please refer to Administrative Policy #8 of School Year 2002-2003.

The deadline for completing Verification of Eligibility for School Meals is December 15, 2003. File the *Verification Checklist*, the *Verification Summary Report*, and all supporting documentation in one file. Michigan Department of Education program analysts will request this folder when your program is reviewed. Keep this information on file in your district. **Do not send this information to the Department of Education.**

Enclosures

ML:ml

Random Sampling

The minimum required sample size is **3 percent or 3,000**, whichever is less, of **all approved applications on file** on October 31. A random sample should include both income eligible and categorically eligible applications. No attempt should be made to select only categorical applications.

Remember, families approved through direct certification are not included in the application pool.

Calculation and selection of the minimum required number of applications in the SFA to verify under random sampling:

Step 1. Count the total number of approved applications on file on October 31. Multiply the total by .03. **Round decimals upward.** At least one application **must** be verified.

Example: 340 applications x .03 = 10.2 applications. Round upward to 11 applications.

Step 2. Compare the result in Step 1 to 3,000. The sample size is the lesser number.

Example: In this example, 11 applications **must** be verified to meet the required sample size.

Step 3. Randomly select the required number of applications.

- (1) A selection interval may be used. This can be accomplished by dividing the total number of approved applications on file in the SFA by the sample size to determine the selection interval.

Example: If there are 340 applications on file and 11 are required to be verified, divide 340 by 11 = 30.9. In this case, the selection interval is 31. Number all the applications. Randomly select an application from the total approved, and then choose every 31st application until 11 applications have been selected.

- (2) Another random method of selection would be to put all the applications in a container and draw the eleven applications out for the verification sample.

Families approved through direct certification **do not** need to be verified.

Focused Sampling

In **focused sampling**, a **minimum** required percentage or number of applications based on **income eligibility must** be selected for verification **AND** a minimum required percentage or number of applications approved based on **categorical eligibility must be selected** for verification.

**Remember, families approved through direct certification are not included in the application pool.*

The SFA **must** verify a minimum of:

- (1) the lesser of 1 percent or 1,000 of the **total** number of approved applications (both income and categorical). The 1% sample is selected from income applications with total household income within \$100 monthly or \$1,200 annually of the income eligibility guidelines (IEGs) for free and reduced price meals for that size household; **PLUS**
- (2) the lesser of .5 percent (one half of 1 percent) or 500 of the total number of applications that were approved based on categorical eligibility, selected from applications with a food stamp or FIP number.

EXAMPLE:

300 income applications
200 categorical applications
150 direct certification families
500 total applications in the application pool

- | | | | |
|-----|------------------------------|--------|------------|
| (1) | 500 total applications | x .01 | = 5 |
| (2) | 200 categorical applications | x .005 | = <u>1</u> |
| | Total sample | | = 6 |

- (1) A sample of 5 applications must be selected from income applications with total household income within \$100 monthly or \$1,200 annually of the income eligibility guidelines (IEGs) for free and reduced price meals for that size household; **PLUS**
- (2) 1 from the 200 categorical applications.

Letter to Households - Notification of Selection for Verification of Eligibility

Student Name

School

Date

IMPORTANT: YOU MUST ANSWER THIS LETTER

Dear _____:

Your child's application has been selected as part of a review to make sure students are receiving the correct school meal benefits. If you do not reply to this letter, your child will not continue to receive free or reduced price meals. This letter requires that you send information or contact (official's name) _____ by (date) _____.

You must send **either** (1) papers that show that you get food stamps or FIP for your child **or** (2) the name and social security number of each adult household member on the enclosed sheet **and** papers that show your household's current income.

The enclosed list shows the kinds of papers that you may use to show the income you had last month. If your child is a Food Stamp or FIP (Family Independence Program) recipient, you may provide proof of his/her eligibility in place of income information. Please send copies if possible, if not, we will return your original.

If you do not send information that proves your child is eligible to receive free or reduced price meal benefits by _____, these meal benefits will be stopped for all children in your household.

If you have any questions or if you need any help, please call _____ at _____ (phone number) _____. If you do not hear from us by _____, free or reduced price meals will continue without change.

Thank you for cooperating in this matter.

Sincerely,

(Signature Block)

Enclosure

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, age, or disability. Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) Should contact USDA's TARGET Center at (202)720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

Documents to Verify Eligibility

Verification Information

For Free and Reduced Price Meals

The papers you send must show: Ž the amount of income received Ž the name of the person who received it Ž the date the income was received and Ž how often the income was received.

To show the amount of money all household members received last month send copies of any of the following which pertain to you:

Earnings/wages/salary for each job:

- Ž Current pay stub or envelope that shows how often it is received
- Ž Letter from employer stating gross wages paid and how often paid
- Ž Business or farm business papers, such as ledgers or tax records

Social Security/pensions/retirement:

- Ž Social security retirement benefit letter
- Ž Statement of benefits received
- Ž Pension award notice

Unemployment compensation/disability or worker=s compensation:

- Ž Notice of eligibility from MESC or Social Security
- Ž Unemployment or disability check stub
- Ž Letter from worker=s compensation

Food Stamp and/or FIP Eligible:

- Ž Food Stamp or FIP certification notice showing the beginning and ending dates of the certification period
- Ž ATP Card (Authorization To Participate), with an expiration date

Welfare payments:

- Ž Benefit letter from welfare agency

Child support/alimony:

- Ž Court decree, agreement, Friend of the Court information or copies of checks received

All other income:

If you have other forms of income like rental income, send information or papers that show the amount of income received, how often it is received, and the date received.

No income:

If you have no income, send a brief note explaining how you provide food, clothing, and housing for your household, and when you expect an income. You will be contacted within 60 days to update this information.

Call _____ for help or for answers about documents.
(phone)

Social Security Numbers Form

Verification Information For Free and Reduced Price Meals

Please verify the information given on your application for free or reduced price meals. List the names and Social Security* numbers for all adult members of your household in the table below.

| Names of Adult Household Members | Social Security Number |
|----------------------------------|------------------------|
| | 999-99-9999 |
| | 999-99-9999 |
| | 999-99-9999 |
| | 999-99-9999 |
| | 999-99-9999 |
| | 999-99-9999 |

*The National School Lunch Act requires that, unless you show that you receive food stamps or FIP for your child, you must provide the social security number of each adult household member or indicate that the household member does not have a social security number. Benefits will be terminated if a social security number is not given for each adult household member or if no indication is given that the adult has no social security number. The social security number may be used to identify household members in verifying the correctness of information stated on the application and continued eligibility for the program. These verification efforts may be through program reviews, audits and investigations and may include contacting employers to determine income, contacting a local welfare office, the MESC to determine the amount of benefits received and checking the documentation produced by household members to prove the amount of income received. These efforts may result in a loss or reduction of benefits, administrative claims or legal actions if incorrect information is reported. This information must be provided to each adult household member disclosing his/her social security number.

Letter to Households - Notification of Change or Termination of Free and Reduced Price Meal Benefits

Child(ren)'s Name(s)

School

Date

Dear: _____

We have completed verification of your child(ren)'s eligibility. Starting (Ten calendar days from the date of this letter) your child(ren)'s eligibility for free and reduced price meal benefits will be:

_____ Changed from free to reduced price because your income is over the allowable amount. The reduced price charge is 40¢ for lunch and 30¢ for breakfast.

_____ Stopped for the following reasons:

_____ Your income is over the allowable amount for free or reduced price meals.

_____ You did not provide proof of current eligibility. The following information is missing:

_____ Your current participation in the Food Stamp or FIP Program could not be confirmed.

_____ You did not respond to the verification notice. If information is provided by the termination date indicated above, benefits may be continued.

Starting immediately your child(ren)'s eligibility for meal benefits will be:

_____ Changed from reduced price to free because your income is within the free meal eligibility limits.
Your child(ren) will receive meals at no cost.

You must tell the school when your household income increases or decreases by more than \$50 per month (\$600 per year) or when your household size increases or decreases. You may reapply for benefits at any time during the school year. If you are not eligible now, but have a decrease in income or an increase in household size, fill out an application at that time.

If you do not agree with this decision you may discuss it with (Name of verifying official). You also have a right to a fair hearing. This can be done by calling or writing the following official:

Hearing Official: _____

Address: _____

Telephone Number: _____

If you wish your child(ren)'s meal benefits to continue while awaiting a hearing and decision, your appeal must be filed by (Ten days from the date of this letter).

Sincerely,

(Name)

(Title)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, age, or disability. Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) Should contact USDA's TARGET Center at (202)720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

| Verification Checklist | School Year | Yes / | No / |
|--|-------------|----------|---------|
| Was verification done after approval of applications? | | | |
| Was the selection method used nondiscriminatory against the six protected classes (national origin, race, color, age, gender, disability)? | | | |
| Were households submitting applications notified in writing of their selection for verification? Attach a copy to this checklist. | | | |
| Did the selection notice state: | | | |
| that the household has been selected for verification? | | | |
| the types of acceptable income information? | | | |
| that proof of current Food Stamp or FIP eligibility may be provided in lieu of other documentation? | | | |
| that information must be provided and failure to do so will result in termination of benefits? | | | |
| the deadline date for information? | | | |
| the name and telephone number of the school official who can answer questions and provide help? | | | |
| Were Food Stamp or FIP households given the opportunity to document participation in the Food Stamp or FIP in lieu of providing other forms of documentation? | | | |
| Was income documentation provided for the most recent full month (exceptions: farmers, seasonal workers, self-employed and other extraordinary circumstances)? | | | |
| Were households notified 10 days in advance of reduction or termination of benefits? A copy of the notification form should be attached. | | | |
| Did this notification advise households of: | | | |
| the change and the reason for the change in benefits? | | | |
| the right to appeal and instructions as to how and to whom to appeal? | | | |
| the right to reapply anytime during the school year? | | | |
| if a Food Stamp or FIP household, their option to provide written evidence to confirm household income to assist in establishing continued eligibility? | | | |
| Were benefits terminated or reduced for all households whose income confirmation did not support their previous eligibility? | | | |
| Are the reasons for all eligibility changes made as a result of verification properly documented and maintained on file? | | | |

| |
|------------------------|
| Explain all NO answers |
|------------------------|

Date verification process started: _____

Intended date of completion: _____

Actual completion date: _____

File this checklist--Do not send to MDE

Date

Signature of Verification Official

VERIFICATION SUMMARY REPORT

| | |
|-------------------------------------|---------------------------------|
| Agreement Number: _____ | School Year: _____ |
| School Food Authority Name: _____ | |
| Address: _____ | |
| City/State: _____ | Zip Code: _____ |
| Verification Official's Name: _____ | |
| Title: _____ | Telephone Number: () _____ |

1. Date Verification Completed: _____

2. Number of "Paper" Applications Approved as of October 31: _____

3. Number Approved Through Direct Certification: _____

4. Method of Selection and Number Verified: _____

(Check Boxes Only for the Method(s) Used and Enter the Requested Data Only For The Method(s) Used).

Ga.Focused-- Number of non-food stamp/non-FIP applications **Verified*:** _____ (**Lesser of 1% or 1,000**)

(*Must be selected from income applications with total household income within \$100 monthly or \$1,200 annually of the IEG for free and reduced price meals for that size household.)

Number of Food Stamp/FIP applications verified: _____ (**Lesser of .5% or 500**)

Number of Food Stamp/FIP applications **Approved** by October 31 _____

Qb.Random-- Number of applications **Verified:** _____ (**Lesser of 3% or 3,000**)

Qc.100% -- Number of applications **Verified:** _____

Qd.Other (Describe): _____

Qe.Number of Applications Verified: _____

5. Method of Income Confirmation Used: (Check the box next to each method used).

Qa.Written Evidence-- (Received directly from the household, including Food Stamp/FIP documentation)

Qb.Agency Records -- (Received from Food Stamp/FIP office or other **Government** agency)

Qc.Collateral Contact-- (Received **Verbally** from sources other than the household or government agencies)

6. Verification Results: (Indicate the Number of Applications in each of the following categories. Total should equal number of applications verified)

_____ No Changes

_____ Changed From Free to Reduced

_____ Changed From Reduced to Free

_____ Changed from Free to Paid

_____ Changed From Reduced to Paid

_____ Total (Should equal No. in 4-e)

7. Documentation: School Food Authorities must maintain records that document the reasons for any changes in household benefits as a result of verification. Indicate where such records are maintained: (Check all that apply)

G a. Attached to Summary

G b. Recorded on/attached to individual applications

G c. Other

Describe: _____

Certification: This is to certify that income verification in regard to free and reduced price school meal applications has been completed as indicated above.

Signature

Title

Date

**Letter to the Food Stamp or FIP Office
From the School Food Authority**

Date: _____

Dear: _____

The regulations for the Food Stamp Program and the Family Independence Program (FIP) permit Food Stamp and FIP Offices to release eligibility information to administrators of the National School Lunch and Breakfast Programs to ensure that only eligible children receive free meal benefits.

The receipt of food stamps or FIP automatically qualifies children for free school meals. Enclosed is a listing of the names and food stamp or FIP case numbers for those approved free meal applicants who have been selected for verification. They have been approved to receive free meal benefits because they have indicated that the child for whom application was made now receives food stamp and/or FIP benefits. On the enclosed listing, please indicate if these household members are currently participating in the Food Stamp and/or FIP program. This information will be used only to confirm the approved applicant's eligibility for free meals benefits.

Your prompt return of this listing will be appreciated. A self-addressed return envelope is also enclosed for your convenience. If you have any questions or need additional information, please contact _____ (Enter name of School Official) at _____ (Enter Telephone Number) .

Sincerely,

(Signature)

(Title)

Enclosure

**Food Stamp or FIP Recipients
Verification Form**

[illegible]

Signature of Food Stamp or FIP Official

Date _____

Address _____

Telephone Number